

December 31 (millions of dollars)	2004	2003
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Notes payable	\$ 244	\$ 260
Accounts payable	2,297	1,944
Employee compensation	300	303
Deferred income taxes	57	48
Accrued expenses	811	701
Restructuring costs	13	45
Income taxes	110	95
Other current liabilities	146	174
Current maturities of long-term debt	7	19
<b>Total Current Liabilities</b>	<b>3,985</b>	<b>3,589</b>
<b>Other liabilities</b>		
Deferred income taxes	240	236
Pension benefits	367	298
Postemployment benefits	499	489
Other liabilities	256	251
Long-term debt	1,160	1,134
	2,522	2,408
<b>Minority interests</b>	<b>68</b>	<b>63</b>
<b>Stockholders' equity</b>		
Common stock, \$1 par value:	90	88
Shares authorized - 250 million		
Shares issued - 90 million (2004); 89 million (2003)		
Shares outstanding - 67 million (2004); 69 million (2003)		
Paid-in capital	737	659
Retained earnings	2,596	2,276
Accumulated other comprehensive loss	(601)	(757)
Treasury stock - 23 million shares (2004); 20 million shares (2003)	(1,216)	(965)
<b>Total Stockholders' Equity</b>	<b>1,606</b>	<b>1,301</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 8,181</b>	<b>\$7,361</b>

## Consolidated Condensed Statements of Cash Flows

Year Ended December 31 (millions of dollars)	2004	2003	2002
<b>Operating activities</b>			
Net earnings (loss)	\$ 406	\$ 414	\$(394)
Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities:			
Cumulative effect of a change in accounting principle	-	-	613
Equity in losses of affiliated companies, less dividends received	1	-	27
(Gain) loss on disposition of assets	(7)	6	5
Loss on discontinued operations	-	-	43
Depreciation and amortization	445	427	405
Changes in assets and liabilities, net of business acquisitions:			
Trade receivables	(16)	4	(67)
Inventories	(266)	(127)	101
Accounts payable	253	163	63
Product recalls	12	6	(239)
Restructuring charges, net of cash paid	(33)	(89)	33
Taxes deferred and payable, net	(18)	55	157
Tax paid on cross currency interest rate swap gain	-	-	(86)
Accrued pension	6	(109)	(37)
Other - net	11	(6)	161
<b>Cash Provided by Operating Activities</b>	<b>\$ 794</b>	<b>\$ 744</b>	<b>\$ 785</b>
<b>Investing activities</b>			
Capital expenditures	\$(511)	\$(423)	\$(430)
Proceeds from sale of assets	74	75	27
Acquisitions of businesses, less cash acquired	(2)	(4)	(179)
<b>Cash Used for Investing Activities</b>	<b>\$(439)</b>	<b>\$(352)</b>	<b>\$(582)</b>
<b>Financing activities</b>			
Net (repayments) proceeds of short-term borrowings	\$ (37)	\$ 7	\$(165)
Proceeds of long-term debt	-	6	6
Repayments of long-term debt	(21)	(221)	(77)
Dividends paid	(116)	(94)	(91)
Purchase of treasury stock	(251)	(65)	(46)
Redemption of WFC preferred stock	-	(33)	(25)
Common stock issued under stock plans	64	65	80
Other	3	(10)	(5)
<b>Cash Used for Financing Activities</b>	<b>\$(358)</b>	<b>\$(345)</b>	<b>\$(323)</b>
<b>Effect of Exchange Rate Changes on Cash and Equivalents</b>	<b>\$ (3)</b>	<b>\$ 10</b>	<b>\$ (4)</b>
<b>(Decrease) Increase in Cash and Equivalents</b>	<b>\$ (6)</b>	<b>\$ 57</b>	<b>\$(124)</b>
<b>Cash and Equivalents at Beginning of Year</b>	<b>249</b>	<b>192</b>	<b>316</b>
<b>Cash and Equivalents at End of Year</b>	<b>\$ 243</b>	<b>\$ 249</b>	<b>\$ 192</b>